# GOVERNMENT OF INDIA
# RAILWAYS
# LOK SABHA

UNSTARRED QUESTION NO:1614
ANSWERED ON:28.11.2002
FREIGHT MARKET SHARE OF RAILWAYS
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**Will the Minister of RAILWAYS be pleased to state:**

(a) the revenue earned by the railways through freight and passenger traffic during each of the last three years;

(b) whether the government have examined the report based on survey by TELCO projecting lower freight cost by road to the extent of 50% by 2007;

(c) if so, whether this will adversely affect the Railways freight earning capacity with earnings plunging below break- even level:

(d) whether according to the report the road freight transportation costs presently at Rs.1.35 per kg/km to Rs.0.90 per kg/km in 2007 compared to railway freight which would remain stagnant at present rate of Rs.1.15 per kg/km in 2007; and

(e) if so, the steps taken or proposed to be taken by the Government to enhance the freight market share of railways?

## Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a): The revenue earned by the Railways through Freight and Passenger traffic during last three years is as under:-

(Rs in crores)

| YEAR | FREIGHT | PASSENGER |
|---|---|---|
| 1999-2000 | 22060.99 | 9581.07 |
| 2000-2001 | 23305.10 | 10515.07 |
| 2001-2002 | 24845.40 | 11196.45 |

(b) to (e): Ministry of Railways have not examined the report on the survey conducted by TELCO. The Railways have their own system to conduct such type of surveys. The Ministry of Railways are aware of the trends in road freight charges and the stiff competition posed by the development of National Highways specially during the last five years.

With the development of National Highways, this competition will further increase. Keeping this in view, the Railways have taken the following steps to face the competition:

(i) Rationalisation of Freight Structure by reducing number of classes and the ratio between the highest and lowest freight rates from 8.0 to 3.3.

(ii) Concessional freight rate under Station-to-Station rate scheme enhanced to face competition.

(iii) Mini rake of 20 bogie wagons allowed at train load rates for distances upto 300 kms.

(iv) Computerisation of freight movement to ensure online information on movement of freight trains.

(v) High speed goods trains at 100 kmph to reduce transit time.

(vi) Development of integrated transport facilities through terminal warehousing scheme.

(vii) Reduced freight for trainload movement of prescribed number of wagons.

(viii) Block rakes for larger number of two point destinations.

(ix) Introduction of time-tabled Parcel Express trains between Metropolitan cities to retrieve piecemeal traffic.